(2) That will use its funds to expand an existing State literacy resource center that meets the purposes of the Act and the requirements in this part.

(Authority: 20 U.S.C. 1208aa(j)(3), (4))

§ 464.22 May a State participating in a regional center use part of its allotment for a State center?

In any fiscal year in which §464.20(b)(3) applies, the Secretary may allow certain States that receive funds as part of a regional center to reserve a portion of those funds for a State adult literacy resource center under this part.

(Authority: 20 U.S.C. 1208aa(j)(5))

Subpart D—How Does a State Award Contracts?

§ 464.30 With whom must a State contract to establish a State literacy resource center?

- (a) To establish a new State literacy resource center, the Governor of each State that receives funds under this part shall contract on a competitive basis with—
 - (1) The SEA;
- (2) One or more local educational agencies;
 - (3) A State office on literacy;
 - (4) A volunteer organization;
- (5) A community-based organization;
- (6) An institution of higher education: or
 - (7) Another non-profit entity.
- (b) Paragraph (a) of this section does not apply to funds under this part that a State uses to expand an existing State literacy resource center.

(Authority: 20 U.S.C. 1208aa(c)(2))

§ 464.31 Who may not review a proposal for a contract?

A party participating in a competition under §464.30 may not review its own proposal for a contract or any proposal of a competitor for that contract.

(Authority: 20 U.S.C. 1208aa(c)(2))

§ 464.32 How is a regional literacy resource center established and operated?

(a) The States that participate in a regional literacy resource center shall

agree on how the center is to be established and operated.

(b) Subject to the requirements of the Act and the regulations in this part, the States have discretion to determine how to establish and operate the regional center.

(Authority: 20 U.S.C. 1208aa (h) and (j))

Subpart E—What Post-Award Conditions Must Be Met by a State?

§464.40 May a State use funds to establish a State advisory council?

- (a) Each State receiving funds under this part may use up to five percent of those funds—
- (1) To establish and support a State advisory council on adult education and literacy under section 332 of the Act and 34 CFR 461.50-461.52; or
- (2) To support an established State council to the extent that the State council meets the requirements of section 332 of the Act and 34 CFR 461.50-461.52.
- (b) Each State receiving funds under this section to establish or support a State council under section 332 of the Act shall provide matching funds on a dollar-for-dollar basis.

(Authority: 20 U.S.C. 1208aa(g))

§ 464.41 What alternative uses may be made of equipment?

Equipment purchased under this part, when not being used to carry out the provisions of this part, may be used for other instructional purposes if—

- (a) The acquisition of the equipment was reasonable and necessary for the purpose of conducting a properly designed project or activity under this part;
- (b) The equipment is used after regular program hours or on weekends;and
 - (c) The other use is-
- (1) Incidental to the use of the equipment under this part;
- (2) Does not interfere with the use of the equipment under this part; and
- (3) Does not add to the cost of using the equipment under this part.

(Authority: 20 U.S.C. 1208aa(e))